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**ADMITTED IN PENNSYLVANIA ONLY

February 16, 1993

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Dear Ms. Searcy:

Enclosed for filing are an original and nine copies of the Comments of the City of Manitowoc, Wisconsin in the Matter of Implementation of Sections 12 and 19 of the Cable Television Consumer Protection and Competition Act of 1992, MM Docket 92-265.

Very truly yours,

MILLER & HOLBROOKE

By



Frederick E. Ellrod III

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY
FCC 92-543

In the Matter of

Implementation of Sections 12 and 19
of the Cable Television Consumer
Protection and Competition Act of 1992

Development of Competition and
Diversity in Video Programming
Distribution and Carriage

MM Docket No. 92-265

REPLY COMMENTS OF
THE CITY OF MANITOWOC, WISCONSIN

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February 16, 1993

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SUMMARY

The initial comments demonstrate that the Commission's proposals will not achieve the objectives of the program access provisions of the Cable Television Consumer Protection and Competition Act of 1992. Congress found that certain cable industry practices, including exclusive contracts, harm competition. As a result, Section 628 prohibits exclusive contracts, except with respect to areas already served by cable where the Commission determines that such a contract would be in the public interest. Thus the Commission may not reopen the question of whether exclusive contracts should be prohibited, nor permit the cable industry to reargue the findings of Congress.

Exclusive contracts may not be permitted under general rules; rather, proponents of such a contract must demonstrate that such a contract is in the public interest in the particular case where they seek to apply it. In order to deny access to programming based on an exclusive contract, a programmer must bring the contract before the Commission and carry the burden of showing that such a contract serves the public interest. Because Congress has determined that exclusive contracts are harmful as a general matter, competitors and potential competitors may not be compelled to show harm as a prerequisite to a complaint.

For the same reasons, an exclusive contract in an area not served by a cable operator is a per se violation of § 628(c)(2)(C). Similarly, the ownership threshold for vertical integration must be set as low as possible.

FEB 16 1993

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

MM Docket No. 92-265

Development of Competition and Diversity in Video Programming Distribution and Carriage

The City of Manitowoc, Wisconsin ("City"), by its attorneys, hereby files the following reply to the comments submitted in response to the Notice of Proposed Rulemaking ("NPRM") in the above-captioned proceeding, released December 24, 1992. The City is considering establishing a municipally owned cable system. That system may compete with a system owned by Jones Intercable ("Jones"), the existing cable franchisee. Jones has made it clear that it believes exclusive contracts are a means of preventing the City from successfully competing with it. In a July 1, 1991 written presentation to the Manitowoc City Council, Jones outlined "The Case Against Municipal Ownership," arguing, among other things, that "not all programming offered by JIC may be available to the City. Some program suppliers will only sell programming to one service provider . . ." More directly, Jones orally advised the City that, "[w]e have an exclusive deal with TNT, Turner Network Television that has secured most of the NBA games. . . . The City would not have right to those."

Therefore, like many other potential competitors, the City believes that the Commission should adopt rules that prevent an entrenched incumbent from denying access to programming services.

INTRODUCTION

The comments filed in response to the NPRM by the cable industry illustrate the degree to which the NPRM strays from the purpose of Congress. The clear mandate of new Section 628 of the Cable Act, inserted by section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, 106 Stat. 1460 ("1992 Cable Act"), and new Section 616, inserted by section 12 of the 1992 Cable Act (the "program access provisions"), is to prevent vertically integrated cable operators and programmers from erecting barriers to competition by restricting their competitors' (and potential competitors') access to programming. The NPRM ignores this mandate. It proposes rules that effectively would gut the program access provisions and leave essentially unchanged the anticompetitive cable industry practices Congress intended to eradicate.

The following reply comments focus on the issue of exclusive contracts, one of the clearest and most blatant examples of such anticompetitive practices. The City will review the congressional mandate of the program access provisions, then address the weaknesses of the reactive, complaint-oriented approach the Commission seeks to adopt, and specifically the proposal to require a showing of harm by complainants. The City

will then briefly discuss certain corollaries of these central points.

I. EXCLUSIVE CONTRACTS ARE PROHIBITED BY THE 1992 CABLE ACT.

In the 1992 Cable Act, Congress found that the vertical integration of the cable industry threatens fair dealing between cable operators and programmers, which in turn hinders the development of new video technologies.¹ Congress concluded that it is necessary to prevent cable operators from using their market power and relationships with programmers to foreclose competition.² Section 628 implements that purpose by prohibiting certain practices, including the enforcement of exclusive contracts, in order to promote competition and diversity in the multichannel programming market, increase programming availability to consumers, and encourage the development of communications technologies.³

Exclusive contracts are addressed specifically in Section 628(c)(2)(C) and (D). These provisions are part of subsection (c)(2), which defines the minimum contents of the regulations the Commission is instructed to adopt, and thus specifies certain practices the Commission must prohibit and

¹1992 Cable Act, § 2(a)(5), 106 Stat. at 1460-61.

²Id. at § 2(b)(5). 1-6 Stat. at 1463.

³Id. at § 628(a), 106 Stat. at 1494.

cannot endorse.⁴ Section 628(c)(2)(C) deals with areas not already served by a cable operator. It prohibits all practices, including exclusive contracts, that would prevent a multichannel distributor serving such areas from obtaining programming from a vendor in which any cable operator has an attributable interest. Subsection (D), on the other hand, deals with areas that are already served by a cable operator. It also prohibits all exclusive contracts between a cable operator and a satellite programming vendor in which any cable operator has an attributable interest, with one exception: an exclusive contract that the Commission determines is in the public interest is not prohibited. Section 628(c)(4) lays out the criteria the Commission must consider in making the public interest determination.

The statute thus requires the Commission to adopt regulations that generally prohibit exclusive contracts, with one specific exception for extraordinary cases. It does not invite the Commission to reconsider the findings of Congress or to decide whether exclusive contracts should be prohibited. They are prohibited, except in extraordinary cases. The prohibitions stated in the statute are specified as minimum contents for the

⁴Thus, Section 628(b) generally prohibits "unfair methods of competition" or practices which "hinder significantly or prevent" others from providing satellite programming or satellite broadcast programming to subscribers or consumers. However, Congress decided that certain practices -- those specified in Section 628(c)(2) -- were ~~per se~~ violations of the statute. While the Commission may prohibit other unfair practices within the scope of the statute, it is required to prohibit the practices specified in Section 628(c)(2). See Part III infra.

regulations, not merely goals or suggestions.⁵ The NPRM, however, attempts to reopen the questions decided by Congress and to weaken the mandate of Section 628 by imposing unnecessary and oppressive conditions on the enforcement of the statute.⁶ Thus the proposed rules, and the interpretation of the rules urged by the NCTA and others, do not fulfill the purposes of Congress.

It is necessary to emphasize, given the NPRM's approach, and the comments filed urging even more draconian requirements,⁷ that Congress did not require the Commission to find that exclusive contracts and other anticompetitive arrangements were harmful, either as a general rule or in particular cases. That finding has already been made: favoritism by cable operators "has made it more difficult for non-cable-affiliated programmers to secure carriage."⁸ Because video programming is unique and

⁵Section 628(c)(2), 106 Stat. at 1494-95.

⁶See, e.g., Comments of the National Rural Telecommunications Cooperative and the Consumer Federation of America at 9-10 ("NRTC Comments"); Comments of Telecommunications Research and Action Center and the Washington Area Citizens Coalition Interested in Viewers' Constitutional Rights at 2-3 ("TRAC Comments").

⁷See, e.g., NCTA Comments at 44-46; Comments of the Community Antenna Television Association at 1-4; Discovery Comments at 6-8, 26; Comments of Turner Broadcasting System, Inc. at 6-8 ("Turner Comments"); Comments of Time Warner Entertainment Co., L.P. at 3-4, 43-44 ("TWE Comments").

⁸H.R. Conf. Rep. No. 862, 102d Cong., 2d Sess. 56 (1992), reprinted in 1992 U.S.C.C.A.N. 1231, 1238 ("Conference Report") (emphasis added). See also S. Rep. No. 102, 102d Cong., 1st Sess. 26 (1991) reprinted in 1992 U.S.C.C.A.N. 1133, 1159 ("Senate Report") (quoting testimony regarding harm caused by cable industry practices); H.R. Rep. No. 102-628, 102d Cong., 2d Sess. 43 (1992) ("House Report") (concerns regarding integration are serious and substantial).

not fungible, the dominance of program channels by large cable multiple system operators (MSOs) resembles an entrenched monopolist's control of an essential facility.⁹ Some commenters have recognized these fundamental facts,¹⁰ and one has summarized at some length the evidence available to Congress in support of its findings.¹¹ Moreover, commenters in this docket continue to provide fresh evidence of such abuses.¹² Indeed, the Commission's own research makes clear that the damage done to viewers' interests by cable industry practices is real and substantial.¹³

Based on this evidence, the Commission recommended to Congress in 1990 that it adopt "clear, explicit and convenient administrative remedies" for cable operators' demands for exclusive contracts.¹⁴ Congress has now done so. Yet the Commission seems reluctant to comply, preferring to dwell on the

⁹Competition, Rate Deregulation and the Commissioners' Policies Relating to the Provision of Cable Television Service, 5 F.C.C. Rcd 4962, 5067 ¶ 118 (released July 31, 1990) ("1990 Cable Report"); USTA Comments at 12; WCA Comments at 11. But see Comments of Discovery Communications, Inc. at 19, 26-28 ("Discovery Comments") (recognizing analogy, but failing to acknowledge that "substitute programming" is not equivalent in terms of appeal to viewers).

¹⁰See, e.g., NRTC Comments at 15; Comments of the United States Telephone Association at 1-2, 4 ("USTA Comments").

¹¹Comments of the Wireless Cable Association International, Inc. at 12-18 ("WCA Comments").

¹²See, e.g., Comments of Liberty Cable Co., Inc. at 10-11 ("Liberty Cable Comments").

¹³See, e.g., 1990 Cable Report at ¶¶ 112-114, 121, 124.

¹⁴1990 Cable Report at ¶ 130.

alleged benefits that vertical integration may provide.¹⁵ Congress has, however, taken the balancing of these harms and benefits out of the Commission's hands, and the NPRM need no longer agonize over these questions. To do so, in fact, risks "an unlawful administrative nullification of Congress' intent and the governing law."¹⁶

For this reason, regulations cannot be adopted based on the argument raised by NCTA and others, that exclusive contracts are often beneficial to consumers or that their harms should be balanced against their alleged benefits before a general ban may be instituted.¹⁷ Congress has already balanced those factors and concluded a general ban is required, subject to limited exceptions. In fact, it was only because the cable industry's arguments had already been taken into account that the Senate decided against requiring an actual structural separation of programming from carriage, and divestiture by cable operators of their captive programmers.¹⁸ The less stringent solution actually adopted by the 1992 Cable Act -- Section 628 -- thus needs no further adjustment in favor of those alleged benefits.

The cable industry's comments, therefore, miss the point that the burden of proof has shifted. Given the findings of

¹⁵See, e.g., NPRM at ¶¶ 5, 7.

¹⁶USTA Comments at 4.

¹⁷See, e.g., Comments of the National Cable Television Association, Inc. at 48 ("NCTA Comments").

¹⁸See Senate Report at 27, 1992 U.S.C.C.A.N. at 1160.

Congress, "program vendors bear the heavy burden of justifying any discrimination in price, terms and conditions."¹⁹ Because an exclusive contract is permitted only as a special exception to the general rule mandated by the statute, it must be up to proponents of such a contract to present evidence that a particular exclusive contract is so unlike exclusive contracts generally that it is in the public interest.

That burden cannot be avoided through the adoption of regulations that grant sweeping exemptions. The statute clearly states a contract is prohibited "unless the Commission determines" that that contract is in the public interest. In other words, unless the Commission acts to approve an exclusive contract, it is unenforceable. Otherwise, application of exclusive contracts would be permitted in particular situations where there is or can be, e.g., no evidence as to the effect of the contract on other competitors (or potential competitors). See Section 628(c)(4)(A)-(B). Although cable operators and their captive programmers continue to try to reverse this presumption and shift the burden of proof to the victims of their anticompetitive practices,²⁰ such a shift would defeat the purpose of Section 628.

¹⁹NRTC Comments at 17.

²⁰See, e.g., Discovery Comments at 31; Turner Comments at 9.

II. THE STATUTE REQUIRES OPERATORS AND PROGRAMMERS WHO WISH TO ENFORCE EXCLUSIVE CONTRACTS TO PROVE THOSE CONTRACTS ARE REASONABLE

The Commission proposes to screen exclusive contracts not by prior approval, but only "through the complaint process."²¹ For reasons described above, this proposal defies the statutory presumption. Such contracts are to be banned as a rule and not merely struck down in particular cases. The strictly limited exception of Section 628(c)(2)(D) may only be applied case by case. Thus prior approval by the Commission is required before an exclusive contract can be enforced.

The NPRM does raise a series of questions about how the Commission should proceed if it did require prior approval of exclusive agreements.²² The questions, however, reveal that the NPRM is still assuming that "prior approval" will become an issue only if a contract is challenged by a third party. Thus the Commission asks how a competitor can establish the existence of an exclusive contract, since it will not have access to the text, and how a competitor could establish a prima facie case that such a contract existed.

Merely to state these questions is to show that it would be entirely impractical to wait for third-party challenges to reveal the existence of exclusive contracts.²³ The only practical way to enforce Sections 628(2)(C) and (D) is to require cable

²¹NPRM at ¶ 33.

²²Id.

²³WCA Comments at 40-41.

operators and programmers to submit any proposed exclusive contracts for the Commission's approval before acting on them to deny programming to a potential competitor. It is, after all, the operators and programmers who know which contracts are exclusive.²⁴ Because exclusive contracts are to be the exception rather than the rule, it should not be burdensome to require the parties to bring these rare exceptions to the attention of the Commission rather than to wait for disadvantaged competitors to ferret them out.²⁵

The Commission's rules, instead, should require any programmer that denies access to a buyer on the basis of an exclusive contract to place that contract, with any necessary supporting materials, before the Commission and the prospective buyer within ten days of the buyer's request for programming if either the programmer or the other party to the contract intends to enforce it.²⁶ The Commission may then conduct appropriate proceedings, based on the facts and arguments advanced by the programmer and the prospective buyer, to determine whether denying access would in this case be in the public interest. At

²⁴Comments of Competitive Cable Association at 8 ("CCA Comments").

²⁵See APPA Comments at 20; USTA Comments at 6, 13.

²⁶The filing should show that the exclusive contract is justified under the criteria specified by the Act, and must include at least the following: (1) the contract itself; (2) any other contract for the same service with the operator, or any affiliate of the operator; and (3) the date upon which the parties first entered into the contract and the date upon which it expires.

least pending the Commission's decision, the programs would be made available to the requesting buyer. To discourage programmers from acting in accordance with exclusive agreements without admitting as much, any programmer denying access for any reason would be required to state its reasons to the rejected buyer; a programmer which failed to claim that a program was subject to an exclusive contract could not raise that claim later. This would also permit the potential buyer to cure any alleged deficiencies that justified denial of its request for program access.

Given the statutory mandate against exclusive contracts, no purpose except evasion would be served by allowing cable operators and programmers to conceal the existence of exclusive contracts. The Commission not only violates fundamental fairness, but makes unnecessary work for itself, by suggesting an elaborate procedure in which third parties -- generally start-up technologies lacking the massive resources of the cable monopolies -- must use newly-minted discovery rules in an attempt to extract the necessary information from the makers of the contract, when the Commission can simply require the contracting parties to supply that information.²⁷ As the APPA points out:

Cable operators and satellite programming vendors would have little incentive to refrain from using exclusive contracts if they were subject only to the chance that affected parties might discover the existence of such

²⁷See CCA Comments at 7 (final rules appear to be "detailed, complex, and not easily navigable" for start-up enterprises). The Commission remarks on the need to minimize its administrative burdens in the NPRM at, e.g., § 39 n.58 & § 45 n.62.

contracts and then be willing to expend substantial amounts of time and money to prosecute their elimination through the complaint process.²⁸

The comments submitted (as well as the evidence referred to above) show that there is every reason to believe that the cable industry will take advantage of any opportunity to continue its current anticompetitive practices. As one industry representative said recently in another context, "Complete and open access does not fit with the heritage of cable."²⁹ In this context, striking down exclusive contracts only through particular enforcement actions is simply a recipe for gutting the prohibition intended by Congress.

For example, Time Warner Entertainment, one of the largest and most vertically integrated MSOs, suggests that even to qualify for discovery, a complainant must bring forward affidavits or documentary evidence of the existence of an exclusive agreement. In order to win its case, a complainant must then produce similar evidence of an actual communication from a cable operator to a programming vendor.³⁰ A more complete reversal of the global ban on exclusive contracts mandated by the statute is hard to imagine.

²⁸APPA Comments at 19-20 (emphasis in original).

²⁹Peggy Laramie of NCTA, quoted by Michael Schrage, Washington Post, Feb. 12, 1993, at B3 (in context of industry's reluctance to permit third-party provision of consumer premises equipment for cable).

³⁰TWE Comments at 46-47.

Requiring cable operators to come forward with would-be exclusive contracts will not, of course, prevent them from entering into such agreements covertly, without informing the Commission. Given the difficulty any third party will have in determining that such an agreement exists, the Commission should at least establish that in any refusal to deal with a multichannel provider, the burden rests on the programmer to show that there are valid reasons for the refusal. Third-party competitors must then be accorded full rights of discovery to determine whether those reasons are valid.³¹

III. CONGRESS HAS DETERMINED THAT EXCLUSIVE CONTRACTS ARE GENERALLY HARMFUL, AND HENCE COMPETITORS NEED MAKE NO ADDITIONAL SHOWING OF HARM

The NPRM proposes, for exclusive contracts as well as for discrimination, to require a complainant to make a showing of anticompetitive harm in order to find a violation of Section 628.³² As several commenters have observed, there is no such

³¹CCA Comments at 8. To facilitate enforcement of this provision, it might also be useful to require programmers to file any exclusive contracts with the Commission when made, so that a competitor seeking access to programming could readily determine whether such an agreement between the programmer and the competing cable operator might be influencing a denial. Cf. APPA Comments at 22-24 (recommending that programmers file rates, terms and conditions with the Commission, or make them available to purchasers upon request). A procedure for such filings is suggested in WCA Comments at 43. Once again, permissible exclusive contracts should be rare enough that such a requirement would not excessively burden the Commission or the programmers.

³²NPRM at ¶ 34; ¶¶ 10-11, 16.

requirement in the program access provisions.³³ In fact, given the congressional findings noted above, such a requirement would be inconsistent with the statute. The "purpose or effect" clause of Section 628(b) is not an extra hurdle for complaints, but rather reflects the congressional finding that the practices specified in Section 628 (such as exclusive contracts) do cause competitive harm.³⁴

Once again, the Commission appears to be shouldering a greater burden than it needs to assume under the program access provisions. Just as the Commission need not arbitrate laborious investigations by third parties when it can require cable operators and programmers to produce exclusive contracts directly, so here there is no need, under a proper interpretation of Section 628, for the Commission to engage in the massive market analyses that would be required to adjudicate claims of competitive harm.³⁵ That finding has already been made for it by Congress. A special analysis is necessary only when a cable operator attempts to invoke the special exception under Section 628(c)(2)(D).

³³See, e.g., NRTC Comments at 13-14, 28; WCA Comments at 35-36; TRAC Comments at 3; Comments of Coalition of Small System Operators at 6-7.

³⁴APPA Comments at 12-14, 16. Cf. Liberty Cable Comments at 19 (statute considers anticompetitive purpose as well as effect, and purpose may be inferred from the conduct itself, given congressional findings).

³⁵See APPA Comments at 16-19; Liberty Cable Comments at 18 ("the very kind of micro-management Congress directed [the Commission] to avoid").

The burden assumed by the NPRM would be particularly striking if the Commission were (in defiance of the statute) to adopt the standard proposed by NCTA and Time Warner Entertainment for a showing of harm.³⁶ According to these parties, it would not be enough for the Commission to determine whether a given exclusive or discriminatory arrangement hindered the provision of a specific, unique programming product to subscribers, or even provision of a comparable product. Rather, the complainant would have to show, and the Commission would have to determine, whether the complainant had been prevented from delivering any programming at all, or, in other words, had been driven out of business by the refusal to deal. NCTA and Time Warner, that is, wish the Commission to prohibit only anticompetitive conduct so brutal and effective that it eliminates competitors altogether. Among other things, this proposed analysis would require the Commission to investigate not only the market for the programming in question, but the failed competitor's entire business history. Once again, a more drastic divergence from Congress's mandate of encouraging the development of competitive alternatives to cable would be hard to imagine.³⁷

³⁶See NCTA Comments at 9, 39-40; TWE Comments at 9-10.

³⁷The NCTA attempts to support its standard for harm by quoting Rep. Tauzin, who sponsored the program access provision in H.R. 4850, out of context. NCTA Comments at 9, quoting 138 Cong. Rec. H6534 (daily ed. July 23, 1992). NCTA fails to note that Rep. Tauzin was merely explaining that an exception would be permitted, if the Commission took specific action on a particular contract -- "The FCC can grant exclusive programming rights under our amendment." Id. He had already explained that the provision fundamentally "requires the cable monopoly to stop refusing to

**IV. THE STATUTORY MANDATE REQUIRES OTHER
CORRECTIONS OF THE NPRM'S OVERLY LAX APPROACH**

Recognition that Congress has found exclusive contracts to be harmful, and acted to prohibit them, has several other consequences with respect to the NPRM. For example, the Commission asks whether an exclusive contract in an area not served by a cable operator would constitute a per se violation of Section 628(c)(2)(C).³⁸ The answer is obviously yes: exclusive contracts are banned generally, and the public-interest exception that may be available under subsection (D) (for areas served by cable) does not exist under subsection (C).³⁹

For the same reasons, the public-interest threshold that must be met to justify exempting an exclusive contract under Section 628(c)(2)(D) must be high, given the strong congressional condemnation of exclusive contracts generally. Once again, cable industry commenters attempt to misplace the burden of proof on this issue by suggesting that the Commission must find that an exclusive contract is not in the public interest in order to hold

deal," *id.* at H6533, and "guarantees that the cable [*sic*] cannot refuse to deal," *id.* at H6534. In this context, Rep. Tauzin's phrasing does not support NCTA's interpretation, which would perpetuate any exclusive contract that was not immediately fatal to a competitor.

³⁸NPRM at ¶ 28.

³⁹NCTA's construction, NCTA Comments at 40, depends on its mistaken assumption that a showing of harm is required for a violation.

it unfair under Section 628(c)(2)(D).⁴⁰ On the contrary, the burden of proof always rests with the proponent of the exclusive contract.⁴¹ At a minimum, the City believes this suggests that (1) established services such as TNT should never be offered pursuant to exclusive contracts; (2) an exclusive contract cannot be justified unless it is offered for a premium above the rate at which programming is sold to others; and (3) any exclusive contract entered into for a service the operator already carried nonexclusive basis cannot be in the public interest. That is, operators cannot respond to the threat of competition or potential competition by "locking up" programming.⁴²

The congressional intent also provides guidance as to the ownership threshold discussed by the NPRM at § 9. As the APPA points out, even a relatively small interest may afford a sizable degree of control.⁴³ The statutory mandate against exclusive contracts thus argues for setting the ownership threshold as low as possible in order not to permit any more competitive harm than necessary to budding new competitors and technologies. In addition, the cable industry itself has, in other contexts, told

⁴⁰See, e.g., NCTA Comments at 42 ("if they are found by the Commission not to be in the 'public interest'"). But see NCTA Comments at 44, which states the proper criterion ("deemed unfair if they are not determined by the Commission to be in the public interest").

⁴¹Liberty Cable Comments at 16. See discussion supra at pp. 7 ff.

⁴²There may be other "per se" cases as well.

⁴³APPA Comments at 9-10 (arguing for de minimis threshold and citing examples of anticompetitive conduct).

the Commission that even a one percent interest by a carrier in a programmer poses a danger of anticompetitive conduct.⁴⁴ Certainly cable should be required to stand by its own assertions, given the proven history of abuses in this area.

CONCLUSION


The cable industry's comments in this docket demonstrate that the industry will take full advantage of any weakening by the Commission of Congress's general prohibition of exclusive contracts. The Commission is thus responsible for ensuring that enforcement of the statutory mandate is made straightforward and effective, and that any exceptions or hindrances to the ban on exclusive contracts are carefully limited. The approach tentatively proposed by the NPRM must thus be replaced by one fully sensitive of the policy behind the program access provisions and the importance of strongly discouraging anticompetitive conduct. Only in this way will it be possible

⁴⁴See NRTC Comments at 25-26; WCA Comments at 27.

for new program carriage technologies to develop so as to provide
the fair competition the cable industry so desperately needs.

Respectfully submitted,

THE CITY OF MANITOWOC, WISCONSIN

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